

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
EXPRESS MAIL
EXPRESS MAIL CONTRACT 12

Docket No. MC2012-36

COMPETITIVE PRODUCT PRICES
EXPRESS MAIL CONTRACT 12 (MC2012-36)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2012-44

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 1**
(August 14, 2012)

The United States Postal Service hereby provides its response to Chairman's Information Request (CHIR) No. 1, which was issued on August 10, 2012. A response was due no later than August 14, 2012. The request is attached, and is followed by the Postal Service's response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

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August 14, 2012

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 1

REQUEST:

Express Mail Contract 12 includes a provision whereby Express Mail will be delivered on Sundays and holidays. See Request, Attachment B, paragraph II.H. Please demonstrate that this contract provision would not impair the ability of Express Mail Contract 12, as a whole, to cover its attributable costs. Please provide electronic spreadsheets showing the calculations, the sources for data input, and the estimated number/percentage of contract pieces that would require either Sunday or holiday delivery.

RESPONSE:

The number of packages that will receive Sunday or holiday delivery is expected to be very small. The contract partner does not send outbound Express Mail on Saturdays, nor are there plans to do so during the term of the instant contract. Delivery on holidays is also expected to be insignificant. Thus, the estimated number of packages delivered on Sundays and holidays would have a negligible impact on the cost coverage calculation spreadsheets that the Postal Service provided in its initial filing. Therefore, the Postal Service submits that this contract provision will not impair the ability of Express Mail Contract 12 to cover its attributable costs.